A Monthly Report from The Conference Board

INTERNATIONAL ECONOMIC SCOREBOARD

The Conference Board

JULY, 1986

SUMMARY

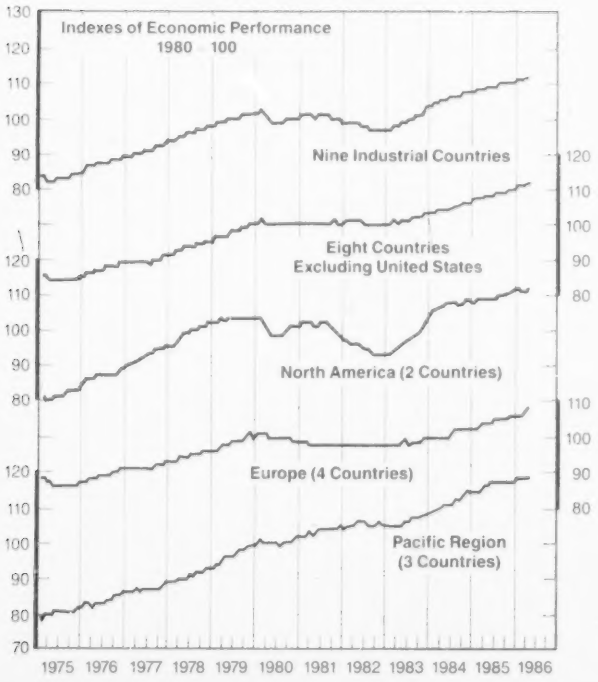
The trend toward greater disparity among the industrial countries in their economic prospects and performance is continuing. The most pronounced changes have taken palce in the Pacific Region. Taiwan's leading index, which was sluggish a year ago, now shows the fastest growth rate, 13 percent. By contrast, Japan and Australia, which were in vigorous expansion in the Spring of 1985, now show the most weakness in their leading indexes, a -4 percent rate of change. The corresponding figures for West Germany and the United Kingdom are also at the low end of the scale, with 1 percent growth at the latest reading.

These differences make it easier to detect where the economic performance growth rates are going next. They suggest no or slow growth ahead in Japan, Australia, West Germany and the U.K.; moderately faster expansion in the U.S., Canada, France and Italy; and rapid growth in Taiwan, R.O.C. For the nine countries as a group, stable growth at an annual rate of 3 percent, continuing the trend of the past six months, is indicated.

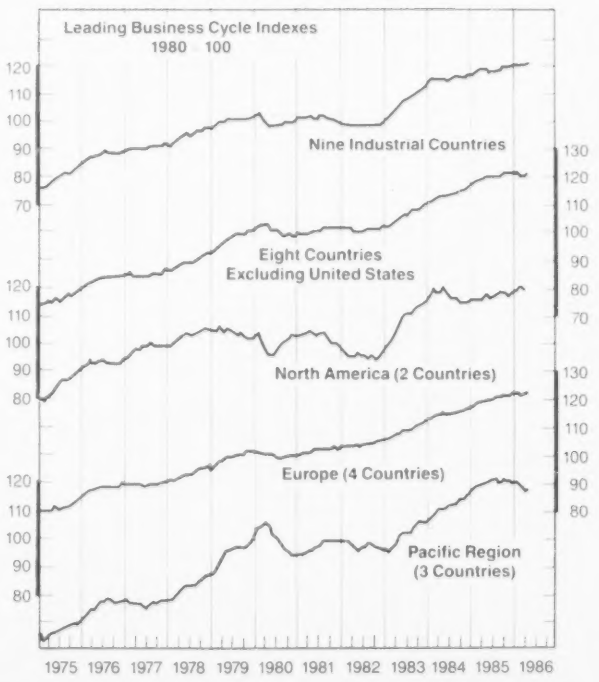
	Ten-year Growth Rate 1969-79	Indexes of Economic Performance Growth Rates* 6 mos. ago	3 mos. ago	Latest month	Leading Business Cycle Indexes Growth Rates* 6 mos. ago	3 mos. ago	Latest month	Current Reading on the Cycle	Latest Month Covered
	annual rates, percent								
9 countries	4	3	3	3	3	3	3	Expansion continuing	Apr.
8 countries ex. U.S.	4	3	3	4	4	2	1	Expansion continuing, leaders weak	Apr.
North America (2)	3	2	3	3	2	4	6	Expansion continuing	Apr.
Europe (4)	3	4	3	5	4	3	4	Expansion continuing	Apr.
Pacific Region (3)	5	3	3	2	5	1	-4	Expansion continuing, leaders weak	Apr.
United States	3	2	2	2	1	5	4	Expansion continuing	May
Canada	4	5	5	4	6	5	5	Expansion continuing	Apr.
West Germany	3	5	4	3	7	2	1	Expansion continuing, leaders weak	May/Apr.
France	4	5	5	5	3	2	6	Expansion continuing	Apr.
United Kingdom	2	2	2	2	-1	2	1	Expansion continuing	Apr.
Italy	3	1	1	2	8	7	9	Expansion stalling, leaders strong	Apr./Mar.
Japan	5	2	2	0	4	0	-4	Expansion continuing, leaders weak	May/Apr.
Australia	4	8	9	7	8	1	-4	Expansion continuing, leaders weak	Apr.
Taiwan, R.O.C.	10	1	8	8	10	12	13	Expansion continuing, leaders strong	May

* Ratio of current month's index to average index over the preceding 12 months, expressed as a compound annual rate.

Where We Are


Indexes of Economic Performance
1980 = 100
Nine Industrial Countries
Eight Countries Excluding United States
North America (2 Countries)
Europe (4 Countries)
Pacific Region (3 Countries)
1975 1976 1977 1978 1979 1980 1981 1982 1983 1984 1985 1986

Where We're Headed


Leading Business Cycle Indexes
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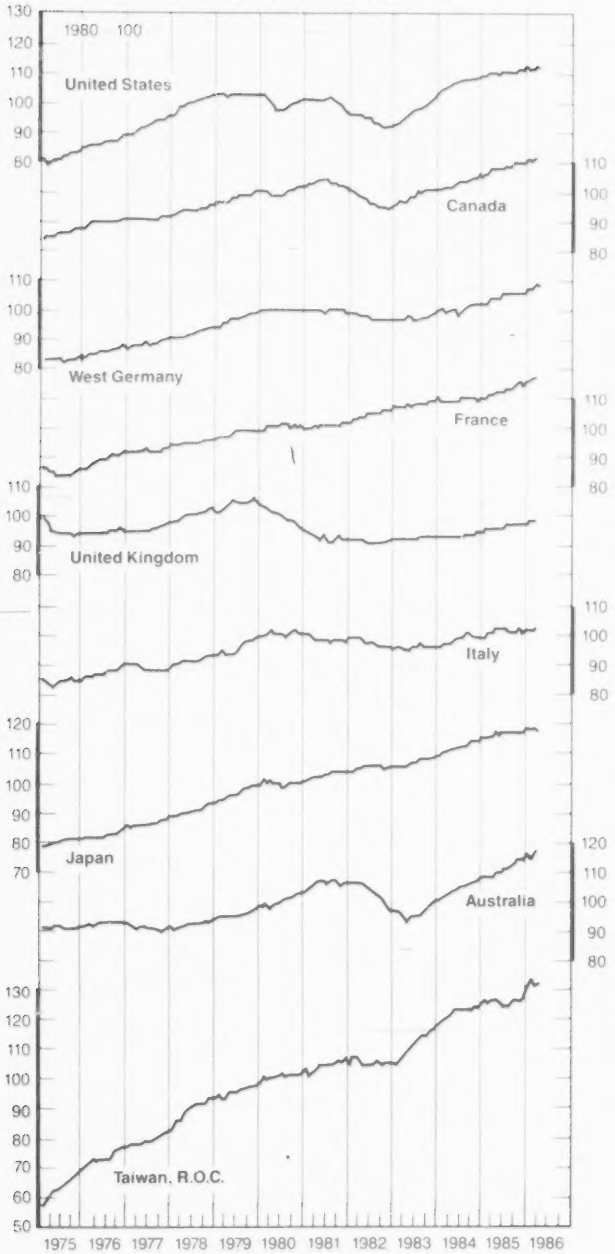
70th Anniversary

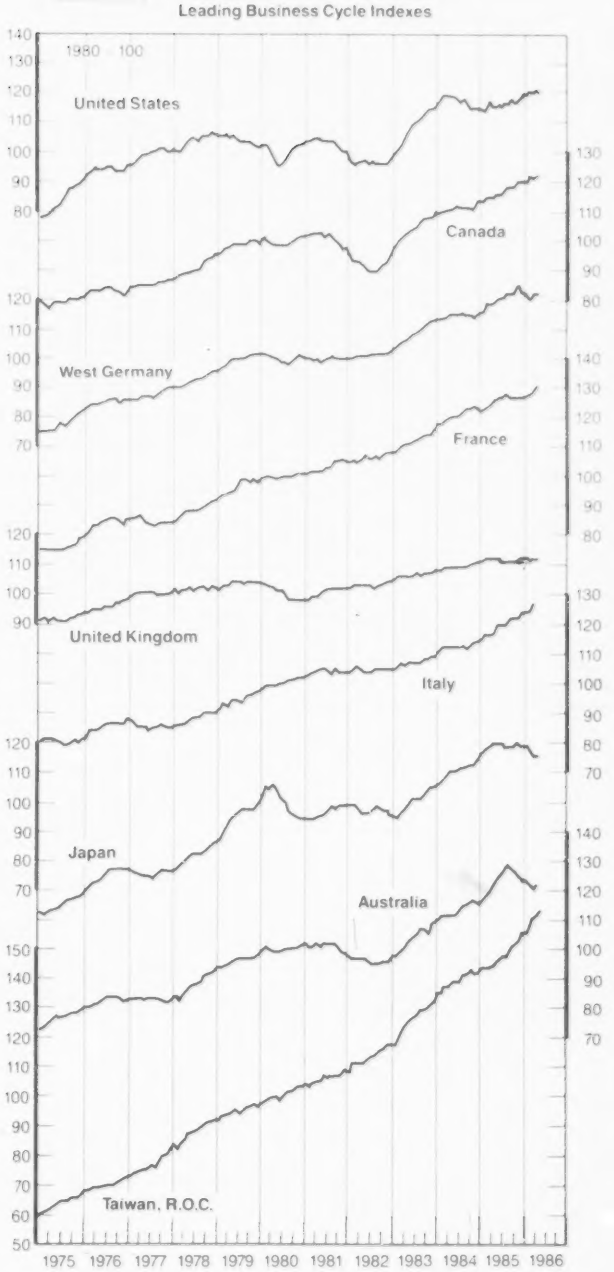
Where We Are

Indexes of Economic Performance



Where We're Headed

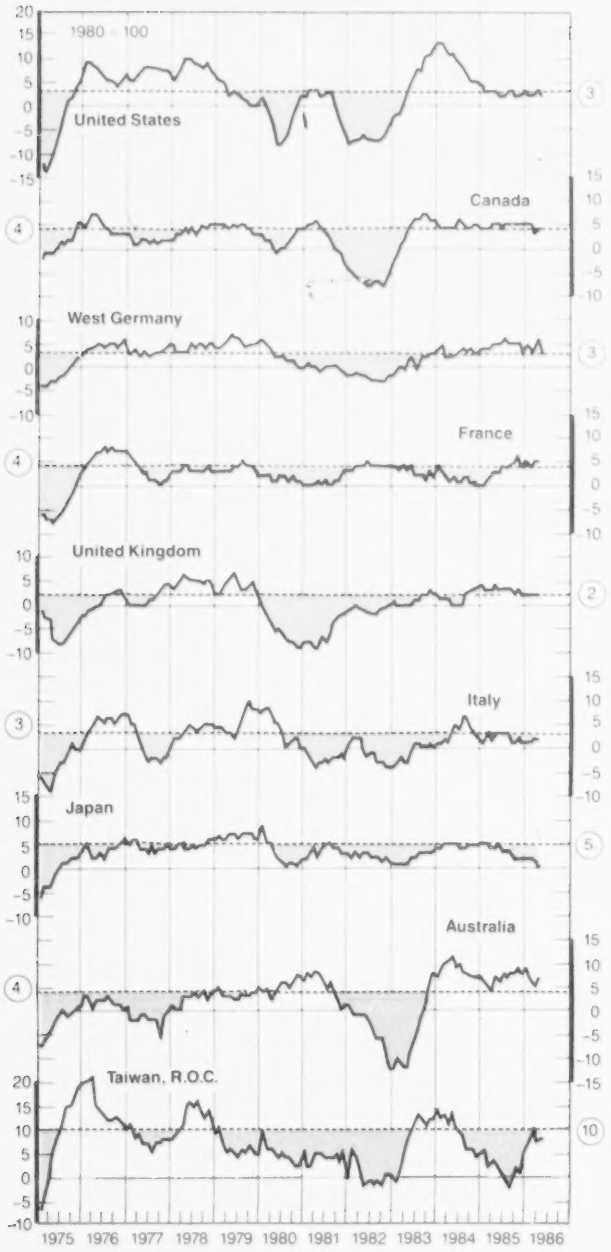
Leading Business Cycle Indexes



Sources: CIBCR and The Conference Board

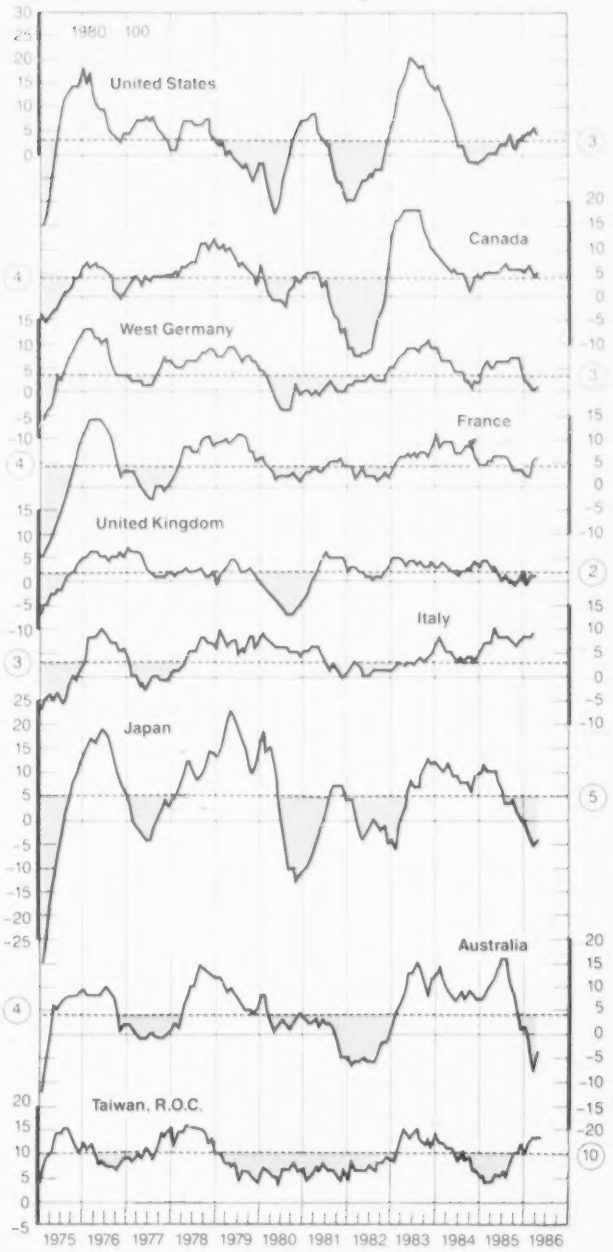
Where We Are

Growth Rates, %, Performance Indexes



Where We're Headed

Growth Rates, %, Leading Indexes



Note Horizontal dashed lines are average rates for 1969-79 in the index and in Real GNP

Sources CIBCR and The Conference Board

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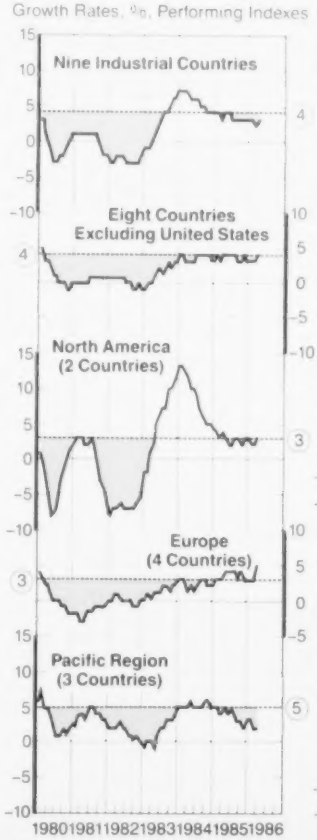
INDEXES, NINE COUNTRIES, 1985-86

		U.S.		Canada		West Germany		France		U.K.		Italy		Japan		Australia		Taiwan, R.O.C.	
		Indexes, 1980 = 100																	
		Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.
Jan.	85	109	115	106	114	102	116	110	122	95	111	99	115	115	116	108	117	126	144
Feb.	85	109	116	106	114	102	118	110	123	95	112	100	117	115	117	108	118	127	144
Mar.	85	109	117	106	115	103	119	111	124	96	112	101	117	115	118	108	120	125	144
Apr.	85	110	116	107	115	104	119	111	125	96	112	101	118	116	119	108	122	126	145
May	85	110	116	108	116	104	120	112	126	96	112	102	120	117	119	110	123	126	146
June	85	109	116	108	116	104	120	112	127	96	112	102	120	116	119	110	125	125	147
July	85	110	117	108	117	106	121	113	127	96	111	102	120	117	119	111	128	125	148
Aug.	85	110	117	109	118	106	122	113	128	97	111	101	121	117	118	112	129	124	148
Sept.	85	110	118	109	118	106	122	113	127	97	111	101	122	117	118	113	128	124	151
Oct.	85	110	117	110	119	106	123	114	127	97	111	101	122	117	119	114	127	126	152
Nov.	85	111	117	110	120	106	124	115	127	97	111	102	122	117	119	115	125	126	153
Dec.	85	111	119	110	120	106	123	114	127	97	112	101	124	117	118	115	124	127	156
Jan.	86	112	119	111	120	107	122	115	127	97	112	102	125	118	118	116	124	130	156
Feb.	86	111	120	111	122	107	121	115	128	98	111	102	125	118	116	115	123	131	158
Mar.	86	111	120	110	121	107	122	116	130	98	112	102	127	118	115	115	120	133	161
Apr.	86	112	121	112	122	109	122	117	131	98	112	103		118	115	117	122	131	162
May	86	112	120			108								117				132	164
		Growth Rates, Percent																	
Jan.	85	4	-2	4	4	4	2	0	4	4	3	1	4	5	10	7	7	5	5
Feb.	85	3	-1	4	5	4	5	1	4	3	4	3	7	5	11	6	8	6	5
Mar.	85	3	0	4	5	4	6	2	5	3	4	4	7	4	10	5	10	2	4
Apr.	85	3	0	5	5	5	5	3	5	3	3	2	7	4	10	4	12	3	5
May	85	3	0	5	5	5	5	3	6	4	3	3	10	5	10	7	13	2	5
June	85	2	0	4	5	5	6	3	6	3	2	3	8	4	9	6	14	1	5
July	85	2	2	5	6	6	6	4	6	3	0	3	8	4	6	8	16	-1	6
Aug.	85	3	2	5	7	5	6	4	6	3	1	1	8	4	3	7	16	-2	5
Sept.	85	2	4	5	6	5	7	4	5	2	0	1	8	3	3	8	11	-1	8
Oct.	85	2	2	5	6	5	7	5	3	2	-1	1	7	2	4	8	8	2	10
Nov.	85	2	1	5	6	5	7	6	3	3	0	2	6	2	2	9	4	1	10
Dec.	85	3	3	5	6	3	4	4	3	2	1	1	7	2	0	8	1	2	12
Jan.	86	3	4	5	5	5	2	5	2	2	2	1	8	2	0	9	1	6	10
Feb.	86	2	5	5	7	4	1	4	2	2	-1	1	8	2	-4	6	-2	8	12
Mar.	86	2	4	3	4	3	0	5	5	2	1	2	9	2	-5	5	-8	10	13
Apr.	86	3	6	4	5	6	1	5	6	2	1	2		1	-4	7	-4	7	13
May	86	2	4			3								0				8	13
		Ten Year Annual Growth Rate, Percent																	
1969-79		3	3	4	4	3	3	4	4	3	3	2	2	5	5	4	4	10	10

		9 Countries		8 Countries ex. U.S.		North America (2)		Europe (4)		Pacific Region (3)	
		Indexes, 1980 = 100									
		Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.	Perf.	Lead.
Jan.	85	107	116	107	116	108	115	102	116	114	117
Feb.	85	108	117	107	118	109	116	103	118	114	118
Mar.	85	108	118	107	118	109	116	103	118	114	119
Apr.	85	108	118	108	119	109	116	103	119	115	120
May	85	109	118	108	120	109	116	104	120	116	120
June	85	109	118	108	120	109	116	104	120	116	121
July	85	109	119	109	120	109	117	105	120	116	121
Aug.	85	110	119	109	120	110	117	105	120	117	120
Sept.	85	110	120	109	120	110	118	105	121	117	120
Oct.	85	110	119	110	121	110	117	105	121	117	121
Nov.	85	110	119	110	121	111	117	106	121	117	121
Dec.	85	110	120	110	121	111	119	106	122	117	120
Jan.	86	111	120	110	121	112	120	106	122	118	120
Feb.	86	111	120	111	120	111	121	106	121	118	118
Mar.	86	111	120	111	120	111	120	107	122	118	117
Apr.	86	112	121	112	121	112	121	108	123	118	118
		Growth Rates, Percent									
Jan.	85	4	2	3	5	4	-2	2	3	5	9
Feb.	85	4	3	4	7	4	-1	3	5	5	10
Mar.	85	3	4	3	7	3	1	3	5	4	10
Apr.	85	4	4	4	7	3	0	3	5	4	10
May	85	4	4	4	7	3	0	4	6	5	10
June	85	3	4	4	6	2	0	4	6	4	8
July	85	3	4	4	6	2	2	4	5	4	7
Aug.	85	4	4	4	5	3	2	4	5	4	5
Sept.	85	3	4	3	5	3	4	3	5	3	4
Oct.	85	3	3	3	4	2	2	4	4	3	5
Nov.	85	3	3	4	4	2	1	4	4	3	3
Dec.	85	3	3	3	3	3	4	3	4	2	1
Jan.	86	3	3	3	2	3	4	3	3	3	1
Feb.	86	3	2	3	1	2	6	3	2	3	-3
Mar.	86	2	2	3	0	2	4	3	3	2	-5
Apr.	86	3	3	4	1	3	6	5	4	2	-4
		Ten Year Annual Growth Rate, Percent									
1969-79		4	4	4	4	3	3	3	3	5	5

Where We Are

Growth Rates, %, Performing Indexes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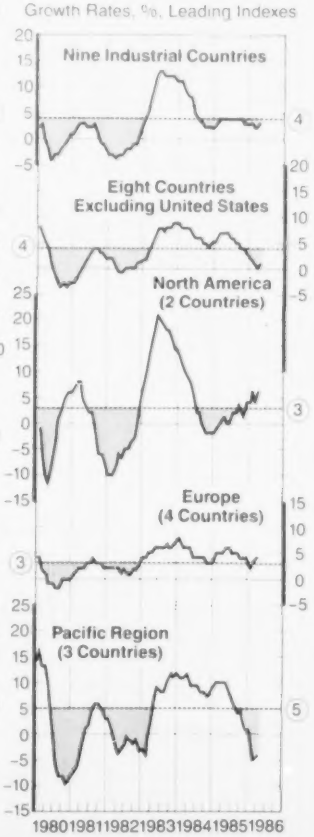
Where We're Headed

Growth Rates, %, Leading Indexes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